

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS)	
ADJUSTMENT FILING OF LOUISVILLE)	CASE NO.
GAS AND ELECTRIC COMPANY)	2018-00088

ORDER

On June 30, 2015, in Case No. 2014-00372,¹ the Commission approved rates for Louisville Gas and Electric Company (“LG&E”) and provided for their further adjustment in accordance with LG&E’s Gas Supply Clause (“GSC”).

On March 29, 2018, LG&E filed its proposed GSC application to be effective May 1, 2018.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. LG&E’s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. LG&E’s Gas Supply Cost is \$.37500 per 100 cubic feet, or \$3.7500 per Mcf, which is an increase of \$.0305 per Mcf from the previous Gas Supply Cost of \$3.7195 per Mcf.
3. LG&E’s notice sets out no Refund Factor.
4. LG&E’s notice sets out a current Gas Cost Actual Adjustment (“GCAA”) of (\$.0034) per Mcf. LG&E’s total GCAA is \$.0407 per Mcf, which is a decrease of \$.1208 per Mcf from the previous total GCAA of \$.1615 per Mcf.

¹ Case No. 2014-00372, *Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Rates* (Ky. PSC June 30, 2015).

5. LG&E's notice sets out a (\$.0348) per Mcf current Gas Cost Balance Adjustment ("GCBA"), which is a decrease of \$.0524 per Mcf from the previous GCBA of \$.0176 per Mcf.

6. LG&E's notice sets out a Performance-Based Rate Recovery Component ("PBRRC") of \$.0346 per Mcf, which is no change from its previous PBRRC.

7. LG&E's Gas Supply Cost Component ("GSCC") is \$.37905 per 100 cubic feet or \$3.7905 per Mcf, which is a decrease of \$.1427 per Mcf from the prior GSCC of \$3.9332 per Mcf.

8. The rate as proposed by LG&E and set forth in the Appendix to this Order is fair, just, and reasonable, and should be approved for gas supplied by LG&E on and after May 1, 2018.

9. In order to aid the Commission in its review of LG&E's GSC applications, LG&E should begin calculating its GSC rates on a dollars-per-Mcf basis. This revision should be made in LG&E's upcoming GSC application for rates effective August 1, 2018, and should be used for all future GSC applications.

IT IS THEREFORE ORDERED that:

1. The rate proposed by LG&E and set forth in the Appendix to this Order is approved for gas supplied by LG&E on and after May 1, 2018.

2. Within 20 days of the date of entry of this Order, LG&E shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

3. LG&E shall make the revisions required in finding paragraph 9, beginning with its upcoming GSC application for rates effective August 1, 2018.

By the Commission



ATTEST:


Executive Director

Case No. 2018-00088

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00088 DATED **APR 12 2018**

The following rates and charges are prescribed for the customers served by Louisville Gas and Electric Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Gas Supply Cost Component

The total Gas Supply Cost Component shall be \$.37905 per 100 cubic feet for gas supplied on and after May 1, 2018.

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